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CHURCH OF SCIENTOLOGY INTERNATIONAL
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9 UNITED STATES BANKRUPTCY COURT

10 NORTHERN DISTRICT OF CALIFORNIA

11 In re)	Case No. 95-10911 aj
)	
12 GERALD ARMSTRONG,)	Chapter 7
)	
13)	
)	
14 Debtor.)	
)	

15
16 APPLICATION OF CHURCH OF SCIENTOLOGY INTERNATIONAL
TO REQUIRE TRUSTEE TO ABANDON PROPERTY OF THE ESTATE
17 PURSUANT TO 11 U.S.C. § 554

18 Church of Scientology International (the "Church") respectfully
19 request that this Court require the bankruptcy trustee, to abandon
20 the fraudulent conveyance claims which the Church was prosecuting in
21 Action Number 157680 pending in the Superior Court of the State of
22 California for the County of Marin (the "State Court Action") prior
23 to the filing of the Debtor's bankruptcy petition.

24 On May 25, 1995, this Court held that the Church's motion for
25 relief from the automatic stay to pursue its State Court Action
26 would be granted subject to the following:

27 / / /

28 / / /

1 The fraudulent conveyance actions belong to the bankruptcy
2 estate. If the causes of action are abandoned pursuant to
3 Section 554 of the Bankruptcy Code, then the Church may pursue
4 them. Until then, the actions can be maintained only by the
5 bankruptcy trustee. Accordingly, insofar as the motion
6 addresses the fraudulent conveyance action, it will be denied.

7 The bankruptcy trustee has not taken any action to pursue these
8 claims. Further, the trustee has indicated he does not intend to
9 pursue these claims in the future. Therefore, pursuant to Section
10 554(b), the Church, who initially filed the State Court Action to
11 recover property as a fraudulent transfer and/or sham transfer,
12 requests an order that the trustee abandon the claims and allow the
13 Church to pursue these claims.

14 Insofar as a trustee has announced his intention to abandon the
15 property, the creditor must file a motion so as to formalize the
16 abandonment pursuant to Section 554(b). In re Pace, (9th Cir.,
17 B.A.P., 1992) 146 B.R. 562. Property abandoned under Section 554
18 ceases to be property of the estate and the party which holds a
19 possessory right to the property at the time of the filing of the
20 bankruptcy petition reacquires that right upon abandonment. In re
21 Dewsnup, (10th Cir. 1990) 908 F.2d 588, aff'd 502 U.S. 410 (1992).

22 Wherefore, the Church prays that this Court formalize the
23 operative effect of its previous order that the Church would be
24 permitted to pursue these claims if the trustee abandoned them and
25 authorize the abandonment of these claims to the Church.

26 PLEASE TAKE FURTHER NOTICE that any objections to said
27 Application must be filed with the clerk of the court within 20 days
28 from the date of this motion and served upon Andrew H. Wilson,
WILSON, RYAN & CAMPILONGO, 115 Sansome Street, Ste. 400, San
Francisco, CA 94104. If no objections are filed, said motion

1 may be granted without hearing.

2 Dated: April 5, 1996

Respectfully submitted,

WILSON, RYAN AND CAMPILONGO

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5 By: Andrew H. Wilson by son
6 Andrew H. Wilson

7 Laurie J. Bartilson
8 MOXON & BARTILSON

9 Attorneys for Creditor
10 CHURCH OF SCIENTOLOGY
11 INTERNATIONAL
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PROOF OF SERVICE

I declare that I am employed in the City and County of San Francisco, California.

I am over the age of eighteen years and not a party to the within entitled action. My business address is 115 Sansome Street, Suite 400, San Francisco, California.

I am readily familiar with Wilson, Ryan & Campilongo's practice for collection and processing of correspondence for mailing with the United States Postal Service.

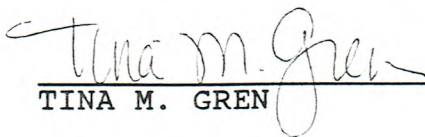
On April 8, 1996, I served the attached **APPLICATION OF CHURCH OF SCIENTOLOGY INTERNATIONAL TO REQUIRE TRUSTEE TO ABANDON PROPERTY OF THE ESTATE PURSUANT TO 11 U.S.C. §554** on the following in said cause, by placing for deposit with the United States Postal Service on this day in the ordinary course of business, true copies thereof enclosed in sealed envelopes. The envelopes were addressed as follows:

Gerald Armstrong
715 Sir Francis Drake Blvd.
San Anselmo, CA 94960-1949

Jeffry G. Locke, Trustee
P.O. Box 488
Kentfield, CA 94919-0488

Linda Sorensen, Esq.
FELDMAN, WALDMAN & KLINE
235 Montgomery Street
San Francisco, CA 94104-3160

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.
Executed at San Francisco, California on April 8, 1996.


TINA M. GREN